

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA, :
:
Plaintiff, : CR-98-1101
:
-against- : United States Courthouse
:
Brooklyn, New York

JOHN DOE, :
:
Defendant. :
:
October 23, 2009
:
10:00 a.m.

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TRANSCRIPT OF SENTENCING
BEFORE THE HONORABLE I. LEO GLASSER
UNITED STATES DISTRICT SENIOR JUDGE

APPEARANCES:

For the Plaintiff: BENTON J. CAMPBELL, ESQ.
United States Attorney
BY: TODD KAMINSKY, ESQ.
MARSHALL MILLER, ESQ.
Assistant United States Attorneys

For the Defendant: KELLY MOORE, ESQ.
LESLIE CALDWELL, ESQ.

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1 THE COURT CLERK: Criminal cause for sentencing,
2 docket number 98-CR-1101, United States v. John Doe.

3 Counsel, please approach and state your name for the
4 record.

5 MR. KAMINSKY: For the United States, Todd Kaminsky
6 and Marshall Miller.

7 Good morning, your Honor.

8 THE COURT: Good morning.

9 MS. CALDWELL: Your Honor, for Mr. Slater, Leslie
10 Caldwell and Kelly Moore.

11 THE COURT: Good morning.

12 MR. KAMINSKY: We are joined by probation officer
13 Michelle Espinoza.

14 MS. ESPINOZA: Good morning, your Honor.

15 THE COURT: Are you ready to proceed?

16 MR. KAMINSKY: Yes, Your Honor.

17 MS. CALDWELL: Yes, your Honor.

18 THE COURT: Have you reviewed the presentence report
19 with your client?

20 MS. CALDWELL: Ms. Moore will address the issues on
21 the presentence report.

22 THE COURT: You took some exception to some aspects
23 of the presentence report. Why don't we dispose of that
24 first.

25 MS. MOORE: Yes, Your Honor.

1 THE COURT: I think for the most part the probation
2 department was in agreement with your observations. I think
3 we start at paragraph 110. 23 should be changed to 20.

4 MS. ESPINOZA: Yes, Your Honor.

5 THE COURT: And in paragraph 115, 37 should be
6 changed to 34.

7 MS. ESPINOZA: Correct.

8 THE COURT: Paragraph 117, 41 should now read 34.

9 Paragraph 121, 45 should read 38.

10 MS. ESPINOZA: Yes, your Honor.

11 THE COURT: Paragraph 123 should now read 1 instead
12 of 0; paragraph 125 becomes 2 instead of 1; paragraph 126
13 becomes 38; paragraph 128 becomes 40; 130 becomes 37; and 192
14 should read 37 on the first line and 262 to 327 on the second
15 line. On paragraph 201, the range should range from 20
16 instead of 25.

17 MS. ESPINOZA: Correct, your Honor.

18 THE COURT: I think that was all of it.

19 MS. MOORE: That's right, your Honor.

20 THE COURT: I take it you received a communication
21 that I found on my desk this morning.

22 MS. CALDWELL: Yes, Your Honor. We received that
23 yesterday.

24 THE COURT: You want to be heard?

25 MS. CALDWELL: Yes, Your Honor. I will start with

1 that, since the court raised the issue.

2 Mr. Slater a couple of weeks ago was out with his
3 wife at a restaurant and had a little too much to drink and
4 was driving home. Mr. Slater realized that he had too much
5 to drink and pulled over into a park and was actually sitting
6 in his car. We have the police reports, which we could
7 provide to the court, if you like. He was sitting in his car
8 with the engine running, but parked, thinking that if he sat
9 for half an hour or an hour he would be able to drive again.
10 He was only a couple of miles from his home. The police
11 officer asked him to get out of the car, which he did, and he
12 failed the field sobriety test. I believe he tested .9
13 and .829 was the state limit. That case is pending in Nassau
14 County. We really don't think that case has any bearing on
15 this case or should have any bearing on this case, in light
16 of all of the other circumstances of this case, which I would
17 like to address now.

18 THE COURT: Go ahead.

19 MS. CALDWELL: Unless the court has any questions
20 about the DWI.

21 THE COURT: Does the government want to comment in
22 it now?

23 MR. KAMINSKY: No, Your Honor, other than the fact
24 that we think this incident, while unfortunate, does not
25 reflect in any way the extraordinary cooperation Mr. Slater

1 provided starting in 1998 and continuing nearly up to the
2 present day.

3 THE COURT: All right.

4 MS. CALDWELL: Felix Slater was really a self-made
5 man, as you know from the presentence report and letters. He
6 was an immigrant from Russia. (He worked his way to Wall
7 Street where he was very successful. He was a young man who
8 was working at several at the time name brand brokerage
9 firms, including Shearson Lehman, until one unfortunate night
10 in 1991, at age 25, he went to a bar, had too much to drink,
11 and got into an altercation with another person. The other
12 person suffered. Mr. Slater hit that the other person, and
13 that impulsive act resulted in a criminal conviction for Mr.
14 Slater. That had a cascade of consequences for him. He lost
15 his Series 7 brokerage license. As a convicted felon, he was
16 not really able to get legitimate work.] He was in need of
17 money. He was married and had a young child. He foolishly
18 connected with some friends from his boyhood who were
19 operating a securities brokerage firm.

20 As the court will recall in the mid-'90s there were
21 a lot of pump-and-dump type brokerage firms, and Mr. Slater
22 foolishly connected with those individuals. He left that
23 business in 1996 of his own accord. He has not engaged in
24 criminal activity since 1996.

25 Mr. Slater was working in Russia when in 1998 the

1 New York City Police Department happened to stumble upon a
2 mini storage box that contained a cash of documents, all
3 described in the government's letter, that were linked to Mr.
4 Slater. Again, this was not an investigation that was
5 pending or ongoing. There were no charges brought. This was
6 a box of documents, to use the government's word,
7 "indecipherable," but connected to Mr. Slater.

8 Mr. Slater was in Russia working as a consultant for
9 AT&T at the time and heard that the F.B.I. was looking for
10 him. He reached out to the United States government on his
11 own and began providing valuable information. The
12 information he provided was extraordinary. He provided
13 information, as our letter and the government's letter
14 indicate, about Russian military intelligence. He provided
15 the United States intelligence authorities with information
16 relating to missiles stinger missiles that the United States
17 intelligence authorities were interested in repurchasing from
18 the Taliban. That information was real. It was provided to
19 the intelligence authority. We didn't know it was acted
20 upon. Of course we wouldn't know, but F.B.I. agents
21 confirmed that Mr. Slater's serial numbers he actually
22 provided were actual serial numbers, Mr. Slater provided,
23 flew to the United States to surrender to F.B.I. he began to
24 cooperate, pled guilty in 1998, and he's been cooperating
25 ever since.

1 His cooperation has included the type of cooperation
2 that the court often sees which is against traditional
3 criminals, including people who worked at the brokerage firm
4 where Mr. Slater worked. Again, he surrendered in 1998. No
5 one had yet been prosecuted in connection with the State
6 Street brokerage firm where he worked. But the government
7 was able to prosecute more than 19 people at various levels
8 of that operation, ranging from the brokers, to the people
9 who were transferring money, to the organized crime figures
10 who were enforcing disputes between the brokerage firm and
11 others.

12 [REDACTED]
13 [REDACTED] but he also risked his life working
14 with the F.B.I. on unrelated matters, completely unrelated to
15 his case.

16 He flew to Cypress where he met with criminals from
17 Russia in connection with this identity theft scheme which he
18 had no involvement in. At one point Mr. Slater was Cypress,
19 those Russian criminals told him to get into the car and
20 drive away with him, which he did to the chagrin of the
21 F.B.I. watching him. He's here to tell the tale, but he
22 really has risked his life in ways that the court doesn't
23 often see. He flew to Central Asia to gather intelligence
24 information. That information related to the kinds of
25 individuals, including surprisingly and somewhat surprisingly

1 Osama Bin Laden, which are really the more extreme enemies of
2 this country.

3 Mr. Slater, really, he provided, and I don't want to
4 get into all of the details, he provided a telephone number
5 to the government for Osama Bin Laden. He provided locations
6 for Osama Bin Laden. He knew somebody who had a connection
7 to Osama Bin Laden and was able to provide that person with a
8 satellite phone so that that person could relay information,
9 which Mr. Slater relayed to the F.B.I., which the F.B.I.
10 relayed to the intelligence authorities. The kind of
11 cooperation provided - and I'm not minimizing the underlying
12 criminal activity - but had Mr. Slater's case come to light
13 in 1991, rather than being asked to come back from Russia to
14 surrender, Mr. Slater might have been asked to stay in Russia
15 to provide -- he was capable of providing information not
16 because he, himself, was involved in those terrorist-type
17 activities, but because he had contacts who had contacts, who
18 could put him in touch with certain people.

19 So I think there's a real possibility that he may
20 not have been standing in a court of law in the United
21 States, had his case come to light somewhat later than it
22 did. Again, I'm not minimizing the underlying criminal
23 conduct, but I do think that's a fact, in light of the
24 changing world after September 11th.

25 The government describes Mr. Slater's cooperation in

1 their letter as exemplary. He has worked with several F.B.I.
2 agents over the years. Four of those agents are here in
3 court today, and I understand, if the court permits, at least
4 one of them will address the court.

5 The government also says that Mr. Slater's
6 cooperation was above and beyond what could be expected of a
7 cooperating defendant. If it is, that's an understatement,
8 but Mr. Slater is somebody who cooperated for ten years, your
9 Honor. He's somebody whose life has changed dramatically
10 since 1996. He is somebody who legally turned his life
11 around. He made a stupid mistake in a bar fight, and again
12 that had a ripple effect which caused him to make another
13 stupid mistake. But really since 1996 he has been working
14 legitimate jobs, cooperating since 1998 with the government.
15 He has a very stable and healthy family life, and his wife,
16 his mother, and sister are all present in court here today
17 with him and are very supportive of him. He has three young
18 school-aged daughters who he's very dedicated to.

19 This is an individual who really has turned his life
20 around. You have the letters from his Rabbi describing his
21 involvement with the community, and we really think, you
22 know, I'm hesitant to use the word in the context of a
23 criminal sentencing, I'm hesitant to use the word
24 "redemption," but I think it fits Mr. Slater. I think he has
25 redeemed himself. He has made many, many amends over the

1 last 13 years -- excuse me, the last eleven years since he's
2 cooperating. He's not going to - notwithstanding the DWI
3 incident - he's not going to appear before this court or any
4 other court again in the context of a criminal case.

5 We understand that to ask for a sentence of no jail
6 term and no probation is extraordinary, but we think it is
7 warranted in this case where Mr. Slater really has been under
8 a sort of defacto probation for the last ten years. As he
9 has worked very closely with the F.B.I. agents, the
10 government has not seen it necessary to impose any kind of
11 restrictions or conditions on Mr. Slater over the last ten
12 years. He has been traveling freely and does travel to
13 Russia in connection with the real estate business he's
14 involved in, and the government has not imposed any reporting
15 requirement on him over those last ten years.

16 THE COURT: You have to slow down a little bit for
17 the arms of our court reporter.

18 MS. CALDWELL: As I always did before.

19 In any event, your Honor, I think Mr. Slater is
20 really deserving of the full measure of leniency that this
21 court can impose, given the extraordinary circumstances of
22 his cooperation and the fact he has really rehabilitated
23 himself in these last -- really since 1996. Thank you.

24 THE COURT: Mr. Kaminsky or Mr. Miller.

25 MR. KAMINSKY: I will address the court first.

1 While the underlying criminal conduct involved was
2 serious and real, I don't think there's any question that
3 Mr. Slater has prevented far more financial fraud than he has
4 caused. In a moment, your Honor, if the court permits, I
5 would like to ask Special Agent Leo Taddeo to address the
6 court. He is a senior F.B.I. agent who first worked with
7 Mr. Slater. What he could tell you and what he will tell you
8 is that Mr. Slater was really the F.B.I.'s entry into the
9 types of financial frauds that were being perpetrated at the
10 time in the mid to late '90s the criminal financial wizards
11 were one step ahead of law enforcement, and literally that
12 was until Felix Slater cooperated with the F.B.I.

13 The 19 other defendants in the United States v.
14 Coppa case that came before your Honor is certainly the most
15 concrete form of that. But far and beyond those 19
16 defendants, Felix Slater explained to the F.B.I. how these
17 schemes operated. And then there are instances far too
18 numerous to mention in a 5K letter, but they would take any
19 given investigation they were looking into at the time, bring
20 it in front of Felix Slater, and he would explain to them
21 what was going on. He clearly illuminated and elicited
22 information to them which brought countless arrests and
23 halted the fraud at the time. That would be enough, your
24 Honor, for us to stand here and tell you that Felix Slater
25 went above and beyond, but that was only the beginning.

1 Felix Slater worked in the field of foreign
2 intelligence, which A.U.S.A. miller is going to address in a
3 minute, was just exemplary. He traveled to parts of the
4 country -- parts of the world, rather, to countries that the
5 United States had no known ties, that were extremely
6 dangerous, where there would have been no recourse for him,
7 should something have gone wrong, and he went there
8 willingly, voluntarily, and with enthusiasm to help the
9 agency and to help the United States. Then when he was in
10 the process of doing that, he came back to the United States
11 and continued to do the work in the leading and cutting edges
12 of wherever burgeoning fields of crime were first coming
13 forth, international financial fraud, Felix Slater was on the
14 cutting edge of that. Even though he was not a participant,
15 he was able to determine from his contacts what was going on,
16 brought it to the F.B.I., had brought cases to them or he
17 brought instances to them, and once again arrests were made,
18 and whole fields of criminal activity were eliminated to
19 agencies, and arrested were made, and he did this.

20 Time and time again all agents here, and numerous
21 others who couldn't be here today, have told the government
22 Felix Slater was one of the best cooperators we worked with.
23 There was nothing he wouldn't do. No task was too big. He
24 was really helpful and was the key to open a hundred
25 different doors that they couldn't open prior to that time.

1 So, your Honor, if the court permits, at this time I
2 would like to ask Special Agent Leo Taddeo, who from the
3 inception worked with Felix Slater, address the court and
4 tell you about that experience.

5 THE COURT: All right. Let him come up.

6 A VOICE: Good morning, your Honor.

7 THE COURT: Good morning.

8 State your name.

9 A VOICE: Leo Taddeo. I'm the Assistant Special
10 Agent in the City of Baltimore's Field Office.

11 Good morning, your Honor. First I would like to
12 corroborate and confirm the 5K letter and statements made by
13 Mr. Kaminsky and add a view observations, if I could.

14 I worked with Mr. Slater from the outset of this
15 stock fraud investigation and he was the epitome of
16 professionalism in our efforts to not only uncover the
17 scheme, but all of the different individuals involved. He
18 answered every single phone call I made to him. He answered
19 every question honestly. He did his best to be truthful and
20 not exaggerate. A person in his situation would have easily
21 believed that he could get more favor from the F.B.I. by
22 making a bigger story than what was already apparent, but he
23 didn't exaggerate or try to make himself anymore important
24 than he already was.

25 I also observed his interaction with his family and

1 other individuals, and I can say he's a dedicated family man
2 and actually a pleasure to work with.

3 In terms of the effects of his cooperation, in
4 addition to what is in the 5K letter, I just want to add in
5 the mid-'90s, the F.B.I. was facing the probability of seeing
6 organized crime on Wall Street, but not being able to do much
7 about it. And given between success and failure for us is
8 often an effective cooperating witness. Felix Slater was
9 that cooperating witness.

10 THE COURT: He had Frank Coppa at one point, too.

11 AGENT TADDEO: Your Honor? Your Honor, he was
12 instrumental bringing Frank Coppa in, and as a result of his
13 cooperation, caused further damage to the Bonnano family.
14 Without his cooperation, it would have been a few more years
15 where the F.B.I. would have effectively removed La Cosa
16 Nostra from the penny stock business. And I would easily
17 credit Felix not only his efforts, but the cascading efforts
18 of bringing other witnesses in to basically eliminate the
19 threat on Wall Street.

20 Once again, I know he worked with other agents, and
21 I heard nothing but similar comments from them about the
22 nature of his cooperation and his personality and
23 professionalism, and I'm here today on his behalf. I hope
24 that his family can get on with their lives, and he can go on
25 to be prosperous and a good dad and husband. I know he is.

1 Those are my comments, your Honor.

2 I'm happy to answer any questions.

3 THE COURT: Thank you. Mr. Miller.

4 MR. MILLER: Your Honor, I don't want to try the
5 court's patience by repeating what has already been said by
6 Ms. Caldwell, Mr. Kaminsky, and Agent Taddeo, but I did want
7 to underline two things. One was Mr. Slater's cooperation to
8 the office and the many investigations he participated in.
9 The length of his cooperation is extraordinary. And I wanted
10 to be here to express from the office's perspective just how
11 capable a cooperator he was, how important a cooperator he
12 was, and how effective he was.

13 I also wanted to be here because I wanted to
14 underline for your Honor how important Mr. Slater's
15 cooperation was to the office's efforts and the F.B.I.'s
16 efforts and other agencies' efforts to protect the United
17 States. His cooperation was critical in many instances, and
18 he did go above and beyond what virtually any cooperator I
19 have seen has done to assist in that effort to protect our
20 national security. So those are the two points I wanted to
21 make.

22 THE COURT: All right.

23 Mr. Slater, what would you like to say to me this
24 morning?

25 THE DEFENDANT: I have been writing what I am going

1 to say for eleven years, but I don't want to read it.

2 I'm not proud of what I have done. I felt I was
3 trapped at the time I agreed to do it. I had a bar fight,
4 went to jail which something I never thought I would ever do
5 nobody ever thought I would go to jail for a bar fight. I
6 had to find money for an appeal that my lawyer was trying to
7 file and I didn't have a job. I had a four-month-old
8 daughter at that moment, legal bills mounting, personal
9 bills, and a childhood acquaintance approached me with this
10 scheme, which I subsequently pled guilty to in front of your
11 Honor.

12 THE COURT: Is that ^{KLOTSBAM} Clarkson?

13 THE DEFENDANT: Yes. Prior to that I never had any
14 run-ins with the law. I worked with very legitimate firms,
15 very honest. I had one complaint in the entire time I worked
16 on Wall Street prior to my criminal activity.

17 During the two and a half years that I was involved
18 in this activity, I spent a year of those in jail. I hated
19 myself, despised myself for doing the things I was doing
20 while I was doing them, because my parents did not sacrifice
21 what they sacrificed to have me come to this country and
22 become a criminal. The acts that I committed were
23 despicable. They just weren't financial fraud. I took
24 ability and opportunity and flushed them down the toilet.
25 The bar fight and the acts that I took afterwards are not a

1 justification. I'm just merely trying to explain the
2 circumstances under which I engaged in that activity, what
3 was happening to me at the time.

4 I quit of my own accord, approximately two years
5 before the government asked me, until I found out that there
6 was a case getting started or investigation. I quit. I did
7 not want to be involved in criminal activity. I went to
8 Russia to work in telecommunications to get away from what I
9 was involved with here. When I found out that there was an
10 investigation happening, I reached in every corner of my
11 phone book to try to find anything that I could to help the
12 government with, and, yes, to obviously help myself in my
13 sentencing. But more importantly because why I have
14 continued all of these years, why I was asked many times by
15 various agents, by various prosecutors, is it time yet to get
16 sentenced? I said no, I'm willing to continue working. I
17 did it because I want some redemption. Yes, I am a criminal.

18 Yes, I am guilty of the things that I have done.
19 The worse thing that could happen, your Honor, despite
20 whatever sentence you impose upon me, I went into real estate
21 development and I built a very successful real estate company
22 right up the block, a Trump project, built the whole thing.
23 Years ago they wrote an article in the newspaper, "executive
24 with ties to Donald Trump has a criminal past" the next
25 month I had to leave my company, the company that I built

1 with my own two hands, otherwise the banks would have said
2 there's a criminal involved. I had to get out. At that
3 moment I thought my life was over. Here I am trying to
4 rehabilitate myself and keep getting the rug pulled out from
5 under me. I thought that was the case until a week later my
6 daughter came home and said the kids at school said my Dad is
7 a terrorist.

8 I guess the worst thing that is going to happen and
9 is happening is the blight I put on my children, and I will
10 now in the past and in the future try to do good deeds, try
11 to be a positive member for my family and for my community to
12 in some way hopefully balance out the mountain of garbage I
13 heaped on my own life.

14 In closing, your Honor, I'm guilty of the things I
15 have done and I stand before you with no justification, and
16 I'm ready to accept any punishment you feel is deserving for
17 me to fulfill anything that I have done.

18 THE COURT: I frequently hear a phrase that Ms.
19 Caldwell used, literally hundreds of persons who stand before
20 me that do use, "I made a terrible mistake." The word
21 "mistake" always intrigues me. Given what you have done over
22 the past eleven years raises a question as how is it
23 possible, given the character that you exemplified those
24 eleven years, how is it possible that you became involved in
25 an enterprise, which is what the RICO prosecution was all

1 about, calculated a massive series of securities frauds,
2 which were conceived by a cadre of callous, corrupt ^{villains} ~~venisons~~
3 of the security industry, who also enlisted the assistance of
4 the likes of Garafalo and Cochlin (ph), the Persico and the
5 Colombo families, and I have asked myself countless times how
6 has that happening? And I have been able to answer that
7 question by assuming and believing that most of us have a
8 little voice inside us which speaks to us when we think of or
9 about to do something wrong. It says to us, don't do it, it
10 is wrong. And there were times that I have come to know that
11 there are some persons who don't have that little voice.
12 They never hear it, never listen to it. And there are some
13 who do. I guess you exemplify that category; you heard that
14 voice. You weren't listening to it at the time when Clarkson
15 invited you to join them.

16 I'm required, although it is an oxymoron, to
17 consider the guidelines which are unconstitutional, but I'm
18 to be guided by them, and if I do disregard them drastically,
19 an appellate court will tell me I did something unreasonable,
20 although semantically I never understood why if a judge has
21 discretion, how could it be abused by definition. He has the
22 privilege of doing whatever he believes to be right.

23 One of the greater judges of our country, Judge
24 Friendly, attempted to resolute that years ago and concluded
25 when the Court of Appeals says a district court judge abuses

1 discretion, all they are saying is we disagree with him.
2 That becomes relevant in connection with your sentence
3 because I'm obliged to consider the nature and circumstances
4 of the offense and the seriousness of the offense. The
5 seriousness of offenses I guess for most people who
6 automatically define offenses which inflict serious physical
7 harm, murder, rape, burglary, assault, but the offense with
8 which you were involved was also extremely serious because
9 one can't measure how many, literally hundreds of persons,
10 bought Fun Time, Hydrock, Holly, United States Bridge,
11 worthless stock, lost money which they have set aside for
12 retirement. Lost money which they set aside for their
13 children's education. And the harm with which that kind of
14 crime, characterized as white collar crime, is in many
15 respects far more serious than the floating infliction of a
16 serious act. So I'm obliged to consider the seriousness of
17 the offense.

18 I'm obliged to consider the sentence achieving
19 promotion and respect for the law. It is a rather curious
20 factor for the court to consider, promote respect for the
21 law. What does that mean? Obviously it doesn't mean that I
22 can administer a credible injection into your head and
23 instantaneously instill respect for the law. What it means
24 is to convey an understanding - which at this point I believe
25 is irrelevant for me to convey - convey an understanding that

1 when the law makes certain conduct illegal, it means it.
2 That's what promoting respect for the law means, believe what
3 the law means when it says securities fraud is a crime.
4 Don't do it. And the arm of the law is pretty long. It
5 eventually will catch up to you.

6 The most difficult task of that statute, 3553(a),
7 which the court is obliged to consider imposing just
8 punishment, and there is no mathematical, scientific, or any
9 other guide to determine what just punishment is, I sometimes
10 like to think of a question that somebody said was asked
11 about God. Somebody asked whether God prays. And the
12 response was, that's a remarkable silly question, God prays?
13 What would God pray for? And the answer was that God prays
14 that his sense of mercy will overcome his desire for justice,
15 and naturally would be factored into what is just punishment
16 in your case.

17 What is interesting and difficult about your case,
18 literally hundreds of cases like it, judges tend to become
19 cynical and mindful. So with cooperators. We understand in
20 most instances there's a very quick cost benefit analysis
21 which is made. A person is apprehended for having committed
22 a crime, and rather quickly decides that perhaps the best way
23 to minimize my sentence is to begin to cooperate. And the
24 other troublesome and interesting aspect of this phase of
25 sentencing in this case is the more sophisticated and

1 knowledgeable the criminal, the more valuable is his
2 cooperation, and the more benefit he can obtain, and offset
3 the punishment which might otherwise have been imposed. We
4 see that all of the time, low-level drug dealers, couriers,
5 have no information they can give to the government which
6 would provide any assistance, so they suffer the sentence
7 which the law requires. A person who was higher-up on the
8 ladder, drug trade or a securities fraud has a lot of
9 knowledge and information to convey to the government, is
10 obviously in a much better position.

11 So really getting down to the crux of this, to what
12 extent should your very valuable cooperation offset the
13 guideline sentence, which statutorily for RICO is 20 years,
14 and for guideline, 262 to 300-some-odd-months, to what extent
15 does your cooperation offset that enormous amount of time? I
16 don't think anybody truly suspects that a sentence of 20
17 years or 262 months would be imposed, except the newspapers
18 like to trump the numbers, facing a jail term of 120 years
19 and so on.

20 But there's another factor which I regard as quite
21 relevant, in a very real sense, I think, and you said it.
22 You have been writing your little allocution to me for eleven
23 years. I've often wondered why it takes the government
24 eleven years or twelve years to bring a cooperator in for
25 sentencing. In your case they were aware of your assistance,

1 the quality and extent of it. They didn't have to wait to
2 call upon you to testify, have your sentence first, and
3 thought maybe you would refuse to testify in a case
4 thereafter because you had already been sentenced.

5 For eleven years I would suspect you had gone to bed
6 every night or every other night sleeping a little restlessly
7 and wondering what your sentence is going to be. Then when
8 the day of punishment comes, what will be my fate? For a
9 period of eleven years, and it's true of cooperating
10 generally, there is a kind of psychological imprisonment and
11 burden which they carry over that long period of time. Their
12 life is not quite the same. They don't have that same
13 carefree double mint care sense of life because they are
14 worried about when will that end. So in effect there has
15 been a sentence which already has been imposed.

16 It's interesting in thinking about what I would do
17 this morning, I will use the word "redemption." That in a
18 sense the remarkable assistance you have given to them, which
19 they told me about in a letter, Agent Taddeo just elaborated
20 on, in effect manifested a desire in you, the harm you caused
21 a lot of harmless people who were thwarted by the likes of
22 you and Aleks Paul and Clarkson, Salamon, the whole group of
23 thieves, that's essentially what they were. And the extent
24 of your cooperation overall of those years clearly manifests
25 that you have a very sincere and deep respect for the law, at

1 least to this essence would suggest would be an appropriate
2 inference.

3 I'm not going to impose a term of incarceration, and
4 I'm not going to impose a sentence, but the statute, it is
5 interesting, the RICO statute provides that the penalty shall
6 be a fine or imprisonment. It doesn't say probation and it
7 doesn't make imprisonment mandatory. It could be a fine or
8 imprisonment. I have a duty not only to you, Mr. Slater, to
9 see that justice is done to you, I have that obligation, and
10 I also have an obligation to the community which has in a
11 sense put you here, and some form of punishment, although it
12 comes very late, I think it is appropriate in the discharge
13 of my duty to put someone on some degree of punishment, and
14 I'm going to impose a fine of \$25,000. I've listened to and
15 looked at the factors one should consider in imposing the
16 fine. They all clearly justify a fine in that sum, which
17 given the enormity of what you did, although many years ago,
18 I think is appropriate.

19 I think there's only one count in the indictment.

20 MS. CALDWELL: That's correct, your Honor. It was a
21 one count information.

22 THE COURT: According to the statute, the fine
23 should be paid immediately to the clerk of the court. If for
24 some reason during the time it would be inappropriate and an
25 application is made to that, I will consider it.

1 I think I'm also obliged to advise you that you have
2 a right to appeal the sentence. If you cannot afford to pay
3 the cost of that appeal, you can make an application to have
4 the cost waived.

5 I think there's a forfeiture charge which was agreed
6 upon.

7 MS. CALDWELL: Your Honor, Mr. Slater forfeited a
8 house in the Hamptons as part of his cooperation agreement.

9 THE COURT: In Hampton Bays?

10 MR. CALDWELL: Yes.

11 THE COURT: I think it was provided for the
12 cooperation.

13 I don't think there's anything else for me to do in
14 connection to this proceeding.

15 MS. CALDWELL: No. Thank you, your Honor.

16 MR. KAMINSKY: No, Your Honor.

17 THE COURT: I wish you well [next time you go to
18 dinner with your wife drink more miserly, modestly] ^c

19 I think these proceedings are concluded.
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